EXHIBIT B

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

VERSUS TECHNOLOGY, INC.,)
Plaintiff,)) Civil Action No. 04-1231 (SLR)
V.)
RADIANSE, INC.,) REDACTED VERSION
Defendant.)
)

DECLARATION OF WALTER S. LEIPOLD

I, Walter S. Leipold, hereby declare under penalty of perjury that the following facts set forth herein are true and correct, and, if called as a witness, I could and would testify competently as set forth below.

The following statements, based upon my review of the Radianse IPS software and associated documentation, are set forth in order of the paragraphs in the Statements of Fact ("S.F.") section of Radianse's opening brief in support of its motion for summary judgment:

- S.F. ¶¶ 1-2 are not addressed in this declaration.
- 3. The Radianse ID tags transmit identification codes by means of infrared (IR) transmissions. Each Radianse ID Tag transmits "a short IR signature" that contains, as explained in the Appendix A to the May 12, 2005 Affidavit Of Paul Tessier, "[f]ive IR pulses...with spacing between trailing edges increasing by 300uS each time. D.I. 57, p. 5. This IR signature constitutes an identification code that allows the Radianse system to distinguish this signature from infrared signals transmitted from sources other than Radianse ID tags. Additionally, because of the precise temporal associations imposed by

the Radianse IPS between its IR and RF signals, each IR transmission from a Radianse ID Tag is understood to include the unique identification code sent by its corresponding RF transmission. The IR and RF signals are received by a plurality of sensors housed in the Radianse receiver assembly. Information regarding the receipt of a Radianse IR signal that is received immediately following a Radianse RF signal is always packaged together with the corresponding RF signal for identification purposes by the processors within the Radianse IPS.

4. To the extent that any asserted claim requires the transmission of a unique identification code in the form of IR radiation, the Radianse IPS performs the same function, in the same way, to achieve the same result. Radianse admits that its tags "transmit unique identification codes and status information by means of radio frequency (RF) transmissions." D.I. 118, p. 4, ¶ 3. Radiance also admits that RF component of its tag transmission is always associated with an IR component. D.I. 123, Ex. B, Donovan Dep., 91:14-17. Thus the Radianse ID tag performs the same function as that claimed, transmitting a signal representative of an identifying code unique to the transmitter. This function is performed in the same way, by a single ID tag transmitter. Likewise, the same result is achieved, detection of the unique signal by one or more receivers.

Radianse S.F. ¶¶ 5-8 are not addressed in this declaration.

 I disagree with Radianse's assertion that the RF signal constitutes the primary information used by the Radianse IPS software.

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Radianse S.F. ¶¶ 10-11 are not addressed in this declaration.

12. The IR transmissions from ID tags in the Radianse IPS transmit a

"signature" that is specific to the Radianse system.

REDACTED

Radianse IPS must provide an identity to the IR transmission in order for its system to process that signal. Radianse's IR signal is always associated with an RF signal that contains a unique identifier.

Radianse S.F. ¶¶ 13-15 are not addressed in this declaration..

16. The IR component of the Radianse IPS is set up to avoid receiving overlapping IR transmissions.

REDACTED

- 17. Radianse's receivers are sited so that the IR signal from a tag is received by only one receiver. Radianse therefore uses "area detection" for the IR component of IPS system. In addition, as explained in ¶ 16 above, Radianse receivers do not always rely on overlapping RF signal detection and/or reporting by multiple receivers.
- 18. The Radianse IPS system uses IR signals and components to cover a limited detection area, and RF signals and components to cover an extended detection

area, which includes the limited area.

19. The responsive content of the output from a Radianse receiver is determined by whether the receiver received a Radianse ID Tag transmission.

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- 20. I disagree with ¶ 20 of Radianse's Statement of Material Facts. A person of ordinary skill in the art would consider the "processor" recited in claim 1 of the '314 patent to be a structure that performs the function of (1) recording electrical signals which are representative of unique identifying codes; (2) recording the receiver which determined that such electrical signals are representative of the unique identifying codes associated with said transmitters; and (3) determining in which of said areas said transmitters are located. Additionally, the CPU recited in the specification of the '314 patent performs the above reference processing functions. D.I. 1, Ex. A, 2:15-27 (The transmitter...produce[s] a characteristic binary number...for transmission to a fixed sensor...The characteristic binary numbers are sent to the central processing unit through the data processor which formulates the bits *for processing of the information in the CPU*.) (emphasis added).
- 21. Information regarding received signals is collected and scanned by the processors in the Radianse IPS, and Radianse receivers send data packets the content of which is responsive to the receipt of a signal from a Radianse ID Tag.

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- 22. The central processor of the Radianse IPS accumulates with respect to each transmitter those areas in which receivers have determined that an electrical signal is representative of the unique identifying code associated with that particular transmitter. D.I. 123, Ex. E, R011523-24.
- 23. The central processor of the Radianse IPS accumulates a badge count for each accumulated area.
- 24. The Radianse system maintains a count or record of the number of times a receiver receives a signal from an ID Tag.
- 25. Radianse receivers communicate using a variable based protocol that implements object identifier variables. The Radianse IPS provides for sending variables over the network that identifies objects.
- 26. The Radianse IPS employs external device controllers which activate the channel of an external device, such as a pager or mobile telephone, to communicate information resolved by the Radianse IPS.
- 27. Radianse receiver assemblies have converters for converting transmitted light-based signals to electrical signals.
- 28. Radianse receiver assemblies contain a validation circuit for processing electrical signal to determine whether the electrical signals are representative of the unique identifying code associated with said transmitters.

Radianse S.F. ¶ 29-30 are not addressed in this declaration.

- 31. The Radianse IPS has interface circuitry.
- 32. The Radianse IPS uses area detection packets.

- 33. As explained in ¶ 18 above, the Radianse IPS uses limited area and extended area signals and components. Likewise, the Radianse IPS generates limited area and extended area detection packets.
- 34. As explained in ¶¶ 18 and 33 above, the Radianse IPS employs the concept of limited and extended area detection. Likewise, the Radianse IPS employs limited area and extended area receivers.

Radianse S.F. ¶¶ 35-56 are not addressed in this declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. This Declaration is executed this 16th day of December, 2005.

Walter S. Leipold